

**A RESOLUTION
BY TRANSPORTATION COMMITTEE**

13-*R*-0019

**A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN AIRPORT
USE LICENSE AGREEMENT WITH AEROLITORAL, S.A. DE C.V., FOR
OPERATIONS AT HARTSFIELD-JACKSON ATLANTA INTERNATIONAL
AIRPORT; AND FOR OTHER PURPOSES.**

WHEREAS, Aerolitoral, S.A. de C.V. (“Aeroméxico Connect”) desires to provide passenger and or cargo service from Hartsfield-Jackson Atlanta International Airport (“Airport”); and

WHEREAS, in furtherance of its plan to operate such flights, Aeroméxico Connect desires to enter into an Airport Use and License Agreement with the City of Atlanta (“City”) as a foreign carrier serving the Airport; and

WHEREAS, the Aviation General Manager believes that it is in the best interest of the Airport and the City to enter into an Airport Use License Agreement with Aeroméxico Connect, as hereinafter set forth, and recommends the execution of such an Agreement.

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF
ATLANTA, GEORGIA**, that the Mayor is authorized to execute on behalf of the City of Atlanta an appropriate Airport Use and License Agreement with Aeroméxico Connect, which shall contain the following terms, conditions, and provisions:

- 1) A term effective on the date of execution of the agreement and ending September 20, 2017; provided that either party may terminate the agreement by giving at least 30 days prior written notice to the other party; and
- 2) A landing fee to be computed at the then current landing fee rate, which rate will be applied per 1,000 pounds of the Federal Aviation Administration Maximum Certificated Gross Landing Weight of each aircraft scheduled to land at the Airport. The landing fee rate shall be subject to adjustment from time to time at the discretion of the City acting through its Aviation General Manager. Such adjustments shall be to levels comparable to the landing fee rates charged similarly classified airlines at the Airport; and
- 3) Such other terms, conditions, and provisions as may be required by City ordinances or Federal regulations or which are otherwise deemed appropriate by the Aviation General Manager.

BE IT FURTHER RESOLVED that the City Attorney is directed to prepare said

Agreement for execution by the Mayor; and

BE IT FINALLY RESOLVED that said Agreement shall not become binding upon the City, and the City shall incur no obligation nor liability thereunder until same has been signed by the Mayor, attested to by the City Clerk and delivered to Aeroméxico Connect.

Part II: Legislative White Paper: (This portion of the Legislative Request Form will be shared with City Council members and staff)

A. To be completed by Legislative Counsel:

Committee of Purview:

Caption:

Council Meeting Date:

Requesting Dept.:

FAC Confirmed by:

B. To be completed by the department:

1. Please provide a summary of the purpose of this legislation (Justification Statement).

The purpose of this legislation is to authorize the execution of an Airport Use License Agreement ("AULA") with Aerolitoral, S.A. de C.V.

2. Please provide background information regarding this legislation.

Aerolitoral, S.A. de C.V. ("Aeroméxico Connect") is the regional airline of Aeroméxico which has recently begun serving Hartsfield-Jackson International Airport ("ATL"). Aeroméxico desires to use Aeroméxico Connect for some of its operations out of ATL and because the latter has a separate operating certificate, it must be treated as a standalone entity. The DOA's Legal Department and the City's Risk Management Department have urged the DOA to execute landing agreements with all of the carriers that have scheduled operations into ATL. Furthermore, in order to execute the proposed agreement, Aeroméxico Connect will be required to provide a certificate of insurance naming the City as an additional insured. It is therefore in the best interest of the City to execute the proposed agreement which would cover Aeroméxico Connect's operations out of Hartsfield-Jackson International Airport.

This Resolution would authorize the execution of an Airport Use License Agreement covering the use of runways, taxiways and other common airfield facilities with Aeroméxico Connect.

Aeroméxico Connect will initially provide one (1) daily passenger flight into Atlanta from Mexico City International Airport (MEX). The agreement would have a term beginning on the date of execution and ending September 20, 2017.

The current Airport Use License Agreement Landing Fee is \$0.81977 per 1,000 pounds of Certificated Maximum Gross Landing Weight. The Landing Fee can be changed from time to time by the Department of Finance.

Projected annual revenue based on a schedule of one (1) Embraer E-190 flight per day is **\$28,126**.

3. If Applicable/Known:

- (a) **Contract Type (e.g. Professional Services, Construction Agreement, etc):**
- (b) **Source Selection:**
- (c) **Bids/Proposals Due:**
- (d) **Invitations Issued:**
- (e) **Number of Bids:**
- (f) **Proposals Received:**
- (g) **Bidders/Proponents:**
- (h) **Term of Contract: through 9/20/2017**

4. Fund Account Center (*Ex. Name and number*):

Fund: _____ Account: _____ Center: _____

5. Source of Funds: *Example: Local Assistance Grant*

6. Fiscal Impact: None

Example: This legislation will result in a reduction in the amount of _____ to Fund Account Center Number _____.

7. Method of Cost Recovery: Landing fees

Examples:

- a. Revenues generated from the permits required under this legislation will be used to fund the personnel needed to carry out the permitting process.***
- b. Money obtained from a local assistance grant will be used to cover the costs of this Summer Food Program.***

This Legislative Request Form Was Prepared By: Audwyn Francis

TRANSMITTAL FORM FOR LEGISLATION

TO: MAYOR'S OFFICE

ATTN: CANDACE L. BYRD

Dept.'s Legislative Liaison: Anita Williams

Contact Number: 404-530-6600

Originating Department: Aviation

Committee(s) of Purview: Transportation

Chief of Staff Deadline: 12/28/12

Anticipated Committee Meeting Date(s): 1/15/13

Anticipated Full Council Date: 1/22/13

Legislative Counsel's Signature: Richard Rubin, Senior Assistant City Attorney

Commissioner's Signature: [Signature]

Chief Financial Officer: N/A

Chief Information Officer Signature (for IT Procurements) N/A

Chief Procurement Officer Signature: N/A

CAPTION

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN AIRPORT USE LICENSE AGREEMENT WITH AEROLITORAL, S.A. DE C.V., FOR OPERATIONS AT HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT; AND FOR OTHER PURPOSES.

FINANCIAL IMPACT: (if any)

Mayor's Staff Only

Received by CPO: _____
(date)

Received by LC from CPO: _____
(date)

Received by Mayor's Office: 12.18.12 [Signature]
(date)

Reviewed by: [Signature]
(date)

Submitted to Council: _____
(date)